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ATTS NEWSLETTER

Number 163



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President's Message

By John Ostendorf, R-518



Dear fellow sales tax token collectors,

I hope this letter finds you all well. Winter is setting in and this is the perfect time to catch up with your collection. It's too cold to be outside, so why not break out your collection and enjoy it? Too often, we make a purchase, look it over for a few minutes, and then stash it away.

Collecting is more than just acquiring. Take your tokens out and enjoy them. You paid for them after all! I did this recently and it was a lot of fun. I remembered some purchases as really exciting, others that I regret, and still others I can't recall when they entered my collection. All in all, when reviewing my collection it brought back a lot of good memories.

When you get done with that, maybe you'll be inspired to write about your experience (or anything else). I'm working on a couple of articles myself right now.

Happy Holidays to all of you.

All my best, John

Secretary-Treasurer's Note

By Jim Calvert, R-533



JUST A REMINDER -

If your mailing label has an orange highlighted mark on the lower right corner your dues have not been received for 2014. You will need to send your dues of \$12 to myself, Jim Calvert, 1984 Lyn Road, Arroyo Grande, CA 93420 – or you may pay through paypal on our website <http://www.salestokens.org>

Any questions or information needed give me a an e-mail or call at 805 474-5710.

Thanks, Jim

Editor's Comments

By Mike Strub, L-504



The most exciting news coming up, in my mind, is the publication of Monte Dean's "*Sales Tax Tokens and Scrip; Identification and Price Guide*" in the new year - though perhaps late in it. This will be a big boost to our hobby.

Don't forget to get your ATTS 2012 Membership Tokens - see last trading post note.

Once again, I'm sorry this came out after the fourth quarter, rather than within it's last month, as was my intention. I've taken on another paid job as secretary-treasurer of the Michigan State Numismatic Society, and am nearly overwhelmed with work, especially during the start-up phase, learning QuickBooks, etc!

Micronumismatically Yours, Mike Strub

Organizational Report December 1, 2013

New members: Ronald Payne, Sebastian Manuele

Reinstatements: None

Drops: none

Membership 11/30/2013: 95 Paid + 6 Donated

Financial Report June 1—August 31, 2013

Checking Account

Balance 9/1/2013	\$1671.02	Expenses:	\$0	Income:	\$0
Balance 10/1/2013	\$1671.02	Expenses:	\$444.22	Income:	\$35.35
Balance 11/1/2013	\$1286.15	Expenses:	\$0	Income:	\$0
Balance 11/30/2013	\$1286.15				

Savings Account Balance 11/30/2013: \$2954.60

Donations: All donations are appreciated very much and help keep us from needing to raise the dues. Life members, it is okay if you wish to make a donation.

Trading Post

WANTED: Your classified ad. Each member is entitled to a free ad in each issue. Your ad can be run in more than one issue if you let the editor know. The editor reserves the right to publish ads relative to space limitations. New ads will receive first priority over continuing ads. Full page display ads are \$30 per issue - half page is \$15 per issue.

Rare New Mexico Sales Tax Token For Sale: S-8, black fiber, 5 mills, R-7, Unc., \$95.00 ppd. Mike Batkin, P.O. Box 13223, El Paso, TX 79940

Casino Chips Wanted – Check your top drawer, jewelry box, etc. Buying one chip or whole collections. Please contact Peter Volburg, P.O. Box 3037, Farmingdale, NY 11735 or QUALPETE@aol.com

Looking for a nice example of an **Oklahoma S-7**. Contact Jim Calvert at 1984 B. Lyn Road, Arroyo Grande, CA 93420 or jnlcalvert@gmail.com

Paying Cash for STT's I need. (Ex: \$400 paid this year for Livingstone) Still seeking **IL-L3 Astoria**; also need state issues, e.g. IL-S1A, S1C, S2B, S3; about 40 other tokens needed in all, email promethium@aol.com or call 248 682-8631 evenings. Mike Strub.

For Sale: #NE-R5 "We Don't Use Funny Money in Nebraska" circulated \$25, #NE-02 "White Spot" stamp unused \$25, "White Spot" envelope commemorating National Air Mail Week \$35. Wayne Hohndorf, 6932 Pinkney St., Omaha, NE 68104

ATTS 2012 Membership Tokens - It has recently been brought to my attention that I failed to do 2012 membership tokens. I will be more than happy to remedy that situation. Any member wanting a 2012 membership token, counter stamped on the back of a MO milktop, need only to send me a SASE and I will get one out to you right away. Thanks! John Ostendorf, 523 Hiwasee Rd, Waxahatchie, TX 75165.

The Ribbon Fed, Multiple Die System And Canada's Ration Token Mystery - Or - ORCO production method, revealed



Image: Lissa Gotwals

Nick Sapone (R-517)



Many of Oklahoma's state-issued fiber sales tax tokens were made by the Osborne Register Company of Cincinnati, Ohio using their .888 inch, 5-die assembly. Prior to WW-II a new, more efficient method of minting tokens was replacing the old one just in time to give Osborne Register Company (ORCO) an advantage in bidding on large orders. A period of transition was in progress as the old die equipment was being phased out and due to the mix of different die styles that were in use at the time it is easy to see how that might cause some diagnostic identity problems to occur among the errors at a later date. While I have no photographic evidence yet of the 5-die assembly, I feel very confident that the accompanying drawing accurately matches the 5-die arrangement. It is the same general pattern that can be seen in the .642 inch, 7-die, OPA ration token die assembly that is now familiar to us. It was pictured in the April - June, 2013 ATTS Newsletter #161. A layout drawing of the die and punch configuration is also included here for reference. Both die assemblies functioned in the same way and were made to a standard body size to fit the machine tooling features and the power capacity of ORCO's presses. However, due to the larger diameter of the Oklahoma tax token dies, only five dies and punches of that size could be accommodated in the same size die block while adhering to the necessarily same general layout pattern.

This is also a very good example of automatically balancing the die assembly load to the available power, especially with the variety of different-sized dies that were required for the various tokens that customers might order. Each different die size would be grouped according to the number of them that would fit into a die block in the necessary pattern that enabled this particular ribbon-fed, multiple die system to function. It was a most efficient system that could out-perform any other of the time. It allowed ORCO to win the bid on the government order to make two billion OPA tokens that were used in food rationing during WW-II.

It was the difficulty in finding answers to questions about ration tokens and their peculiar errors that led me into this research. It appeared that everyone had the same questions and none knew the answers. So I looked into it, literally through a 10-x loop. The powerful magnification along with my mechanical background, patience and some very fortunate breaks in acquiring photographs and other research evidence, allowed me after much time and effort to make some very important discoveries about the manufacturing process. It was in learning the most intricate details of that process that I gained access to the answers. I knew they were hidden on the error tokens from the beginning - as well as in the mechanical interactions of a system that no collector had yet seen, including myself. But mechanical things are always interesting and I needed to know more about the equipment in order to find those elusive answers.

I soon managed to obtain information about the type of press that was used and contacted the maker for information about it. They sent specifications and operation and maintenance instructions for both the press and its heavy duty industrial clutch, complete with mechanical drawings, diagrams, trouble shooting tips, even parts lists. This was just what I needed and more than I had hoped for.

After reading and studying the press material I also received some information about the number of dies in the group used to make ration tokens. The solid confirmation was different than I had first anticipated, and the set of dies were in a different configuration as well. Then a few months later a photograph arrived of a complete die assembly. This was the heart of the mystery that no other token collector had ever seen or heard of before - the crowning piece of minting equipment information that I needed to crack the mechanical code. The assembly was even shown opened up so the inner parts could be viewed.

Now all I needed was to visualize how it works. I didn't complain - I had a career of engineering experience to rely on to answer the question "How'd that happen?" I had to learn how it worked and how it could be caused to malfunction. The resulting errors were made so differently that coin terms seldom fit well.



This research can answer questions about a multitude of other tokens made by ORCO in this way, including the Oklahoma tax tokens mentioned earlier and Canada's ration token. And it is no coincidence that those two are the same size (.888").

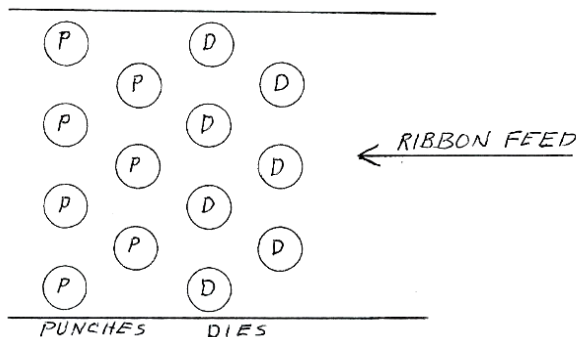
(Editor's note - Alabama and Mississippi also had embossed fiber tokens made by ORCO)

Canada's blue ration tokens were doubtless made using much of the same equipment that made Oklahoma's embossed fiber sales tax tokens. New dies were required but the rest was already available, including the blue fiber, exactly the same material that was used for our own blue OPA tokens. I feel certain that it must be from either a surplus or standby amount, in case more tokens were needed. It was made "specifically for government ration token use" and that ultimately included the government of Canada.

Due to having a central hole these tokens would need to be punched once more than those without a hole and there is only one practical way to accomplish that. It must be done as an integral part of the minting process, to be accomplished in one pass through the die assembly, especially in this particular system. The center hole could not be made at any other time without losing half or more of the system's efficiency.

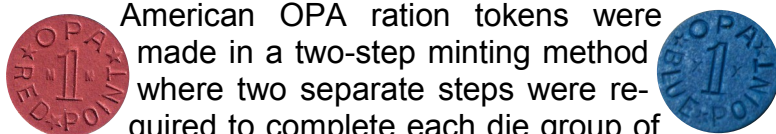
Remember, I am covering some new ground here - questions are a welcome sign of interest.

Two-step Die Assembly



Layout drawing of the OPA token 7-die assembly

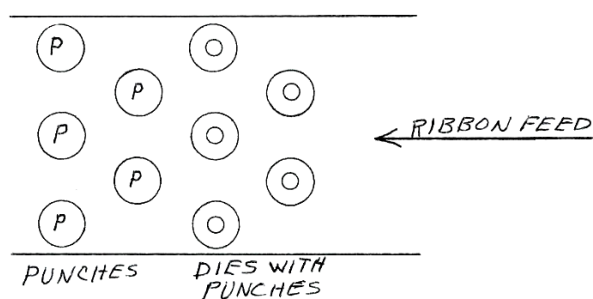
American OPA ration tokens were made in a two-step minting method where two separate steps were required to complete each die group of 7 tokens. In this two-step method the die group is embossed on its first step and then that particular group is punched out three strokes later (that's 4 strokes total) on its second step as finished tokens. In between those steps an interlocking pattern is forming on the fiber ribbon as it progresses incrementally through the die assembly from the dies to the punches. The "solid" pattern works in unity with the layout of the dies and punches along with the advancing ribbon to produce a



steady stream of tokens while at the same time making the most efficient use of the token material. All that is left of the ribbon as it emerges from the die assembly is a skeletal lacework.

This goes on at the rate of slightly under two strokes per second, so you can see that a lot happens in a hurry in one of these die assemblies. But the token itself is only touched by two press strokes, once as it is embossed and a second time a couple of strokes further down the line as it is punched

out. In between these two "touches," is a length of strip containing two previously embossed sets of impressions since this permits the two stations to be far enough apart for maintenance. With good operators a seven-die assembly will continue doing this, making over 48,000 tokens in a single hour.



Probable layout of Canada's two-step, 5-die assembly

While adhering to this 2-step method, I feel confident in saying that the dies for Canada's ration tokens must have had an additional feature of a small punch that made their small central hole. I surmised that the extra punch would be mounted in the die itself and it would punch the hole as the ribbon was embossed. With the small punches mounted in the upper dies they would also require an accommodating hole through each lower die to expel the punched debris. After that first step,



the then-embossed and center-holed group would continue advancing toward the larger token size finishing punches where their final punching (second step) would take place, in a basically two-step method as outlined for the American ration token.

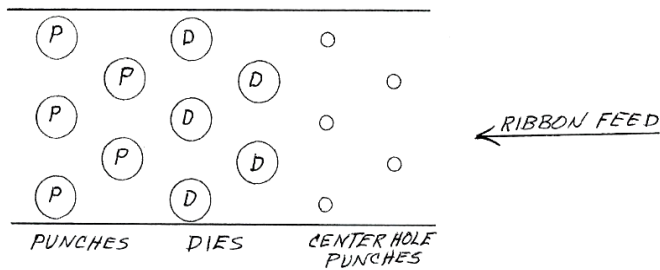
This fits the evidence that I had seen in Canadian ration token errors at that time. It was further supported when I noticed some strange looking recycled parts in one of the pictures of the OPA ribbon-fed die assemblies showing holed punches in a place where they did not belong. They were substituted for solid punches in the "no-hole" die assembly. They looked to be modified parts where the small center-holing punch had been removed from the upper die, then with the old die surface smoothed off, it could be recycled for use as a punch in another like-size assembly. If the part was not a recycled upper die then surely it was a lower die with the die features removed, leaving only the rod itself, with a hole in it. (I would soon learn that the holed punch rod could also have originated from the center-holing punches of a three-step die assembly that remained undiscovered at the time.) Either way, it was still useful, if only as an odd looking punch in a different assembly. In those cases where they were not paired with the other half of the center-holing component, the recycled "holed" rods would function the same as solid punches would in producing tokens without a center hole. A range of different repairs has also been found in some of the other photographs that I managed to acquire, offering additional insight to those who can interpret those kinds of important clues. However, the most significant point at the moment was in recognizing the unusual holed punch as an important new discovery. It was a solid clue pertaining to how the center-hole was put in the tokens. This wasn't much to work with but along with a few new and very different Canadian ration token errors that recently came to my attention, things were looking better in terms of finding an answer. Then of course I had to learn more about where the holed punch rods had come from and how they were originally used.

The token must be fully supported during that center-hole punching. In the two-step method it would be done as the embossing was made because at that time it would automatically be supported by the lower die. This fits perfectly with the small number of Canadian ration token errors that I had been able to study at the time but I would soon learn there were several other Canadian errors that did not fit in with the two-step minting method!

Those newfound errors were indisputable proof that a "three-step" type die assembly was also used to produce some of Canada's ration tokens. *Canada's ration tokens were well made and they were also made in more ways than we first thought.*

Three-Step Die Assembly

While each error token carries clues to its cause, the key to deciphering them lies in knowledge of how the die assembly functions - and can be made to *malfunction*. The unusual placement of the



center-hole in relation to the embossing on this error token (below), indicates that it was made using a different kind of die assembly than those I was more familiar with. These new and different error token clues were indicating that at least two different kinds of mechanical, center hole punching functions were involved in Canadian ration token errors.



Probable layout of Canada's three-step, 5-die assembly

Without speculating too much, I can say that this was during a time when some of the earlier style die equipment was still available and after examining the "Off Center Punch" and "Triple Embossed*" errors below, I was beginning to believe that at least some of the earlier die equipment must have been put into use along with the new in making Canada's ration tokens. After all, the old assembly bodies were still good and were available and it would be economical to use up of some of them when they fit the occasion. Even though their center-holing functions differed, both types could produce Canada's ration tokens. There was nothing wrong with doing it that way either and who would ever know, because the tokens would all look the same?. However, some of the error tokens they made were very different!

The "off center punch" error (reference to center hole)

triple struck

normal



(Both Canadian error ration tokens are from the Don Kolkman collection. "Triple Struck" is a misnomer that should instead be called "triple embossed", but the first term is a coin-like term employed by the owner of this error token.)

When multiple embossing is found in combination with a single center-hole, it indicates that the two features were created separately, as would occur in a three step method. In the two step method, where the small punch is mounted in the die, both of these features are applied as one, and both operations would be found in like multiples on each of these errors.

For the record, there are two different ways that the three-step die assembly could be configured. The small center-hole punch group could be located either before or after the dies, resulting in differences in their errors and their error series not necessarily apparent in the triple embossed example.

One error series results when synchronization is lost between the automatic press action and the ribbon feed rate. If ribbon tension is lost, even momentarily, that trips things up a bit causing a brief series of errors to occur while the misaligned section of embossed ribbon is going through the punches. The situation quickly clears, with normal production resuming as the necessary ribbon tension is reestablished. This is how most error tokens are made.

A set-up error series happens when an empty die assembly is loaded for use. Having two kinds of error series actually makes it easier to categorize and sort out some of the error tokens.

Judging from the evidence that can be found on other kinds of tokens it is very possible that other

methods of punching the center hole were also tried then. More research could prove this because each would leave some distinctive traces.

For the two-step procedure, the fiber ribbon would be inserted into the die assembly until it was stopped by the latch mechanism, which partly controls the ribbon's incremental advancement during operation. The ribbon is then engaged by a press stroke that both embosses it in one place and punches out some blanks in another. This will continue to occur on the following two press strokes as the initial embossed set is advancing toward the punches where they will be punched out as completed tokens on the fourth stroke. The 4th stroke and those that follow will then produce both the embossing and the punched out finished tokens at the same time but in different parts of the assembly on each press stroke. The procedure is essentially the same for the three-step assembly, however, the number of press strokes will differ and the number and kinds of errors will differ as well.

Notice that we now have an explanation of how some blank tokens were made as well! The other errors will be covered soon.

I have written chapters explaining how this outdated minting method works. The details are far too complex for one short article, which is why I write a continuing series in the SRTC (Society of Ration Token Collectors) newsletter. Although I have conducted some rather extensive research on OPA ration tokens and can offer detailed information about them and the machines that made them, including the most important die assembly, I have yet to obtain photographic evidence of the Canadian ration token die assembly.

This article and drawings are the best that I can offer at this time about the two different center hole punching methods, except that my description fits into this system and the technology of that time period. It also blends seamlessly with the mechanics of the ribbon-fed, multiple die system as I see it. Plus the function of the all-important incremental, overlapping die pattern would not be compromised and all of my diagnostic research points to these conclusions.

Should any new information come forth, this will be updated. It is an ongoing project and no doubt there is much more to learn.

This is a lot of new information all at once but it should serve as a good introduction to learning more about this minting method and various other details about the error tokens.

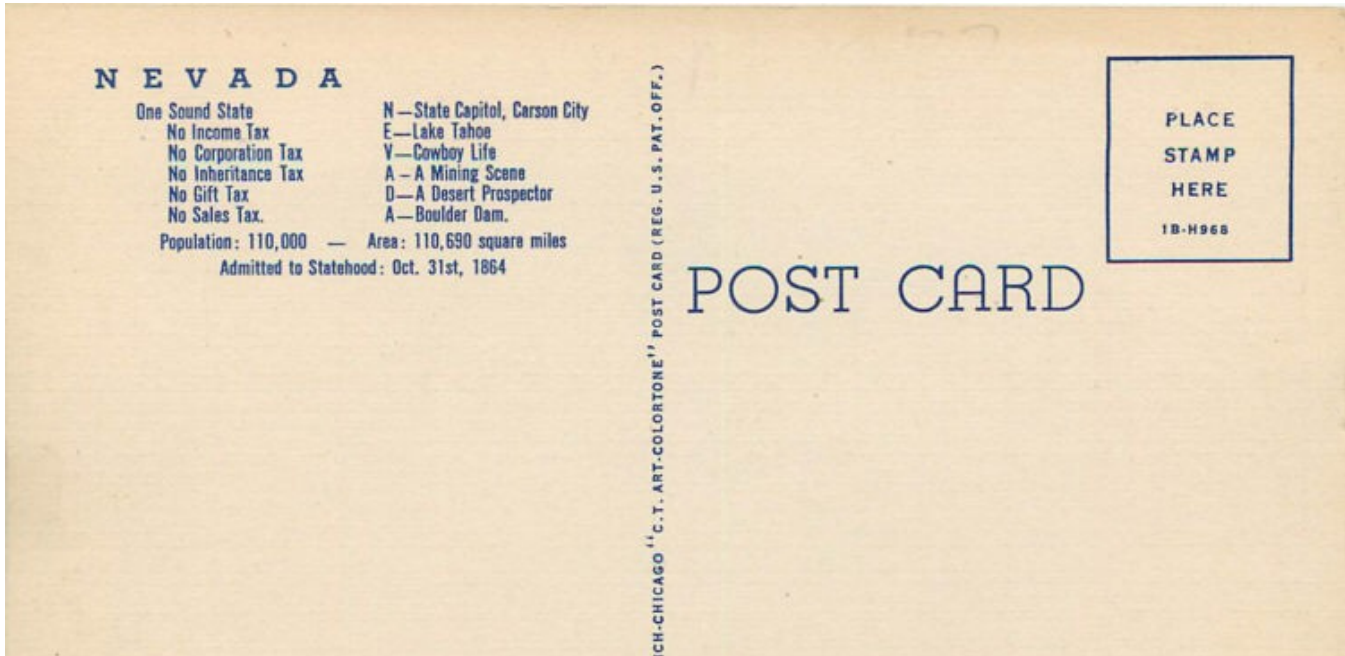
Nick Sapone is a former U.S. Navy engineer and was a submarine sailor on one of the few remaining WW-II era diesel boats in the 1960's. He later worked on commercial sea-going tug boats, ending that career in 1984 as Chief Engineer. Now retired, he has studied ration tokens and sales tax tokens since 1997 just prior to joining SRTC and ATTS. Using mechanical experience, his research has revealed much new information about fiber tokens.

We at ATTS are particularly interested in his research because of what it can teach us about production methods and error causes and authentication in American Tax Tokens.

New Finds

- Loran Frazier, R-550

I've attached 2 photos (front and back) of a postcard I found from Nevada. It's advertising the state as a place to come which has no sales tax, much like the other 3 Nevada postcards that have been reported. This one differs in that the "No Sales Tax" appears on the reverse of the postcard, as you can see. It's also important to note that I've seen the same design WITHOUT the list of "no such-and-such taxes" on the back, so anyone searching for this needs to examine the reverse before buying.



American Tax Token Society (ATTS)

The **ATTS** is a not-for-profit, tax-exempt, educational and research social club. It is registered as a 501(c)(3) organization under IRS guidelines. All donations are tax-deductible subject to IRS guidelines.

The **ATTS Newsletter** is the official quarterly publication of the ATTS published for its members, and is mailed first class from Waterford, Michigan, USA. Copies are available to schools, universities, museums and other educational or related organizations upon request. The request must be made in writing on the organizational letterhead and signed by a legal representative of that organization. Portions of the newsletter may be reprinted if written permission is first obtained from the society and/or the original author. However, excerpts may be reprinted without permission. Articles reprinted from sources outside of the ATTS must have permission from the original source.

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